

Soybean futures continue to surge to new highs based mainly on strong export news and continued supply side concerns. By the end of the week beans had posted about a 20-cent gain. Traders are already speculating on another drop in production but perhaps more importantly, the higher prices have not beaten back demand. This suggests that the market prices have not moved high enough to beat back the demand. Hedgers should make absolutely sure that you have the best assessment of your crop size and get caught up with protection if you have not already. Even if you are unsure of bushels, buy puts. Harvest progress was listed at 74%, which is a tad further along than expected. Although some traders expect some profit taking in this market this week, it is hard to believe they will make a huge impact given the strength of the demand and the small crop. On Thursday, to further drive this point home, export sales of soybeans topped expectations at 1.024 million tons with China taking about 50% of that. Traders apparently are focusing a lot of attention in the options (call) market with an unusually high level of open interest in the \$7.60 strike. As one trader put it: "...if futures rise above that – we will see fireworks". Nearby futures currently sit at \$7.50. A completely different story is occurring in the neighboring corn pit. Those futures prices continued to grind lower last week simply due to harvest pressure and fund selling. However, lack of producer selling has kept basis levels fairly high. The sharp spike in beans and wheat did spillover into the corn pit by the end of the week but traders firmly believe that the ongoing harvest of what looks to be a record crop will limit any gains. Unfortunately Thursday’s export sales numbers were at the low end of trade guesses with sales recorded at 754,000 metric tons – Mexico being the largest buyer. Export news appears to be the major fundamental in the wheat market, but fund activity has been driving the market as well. The sharply lower dollar has been extremely supportive. Wheat prices did jump on Thursday when export sales beat most trade guesses coming in at 592,100 tons. Mexico was also the largest buyer in this market. International wheat markets also posted gains, with brand new contract highs in wheat futures in both France and London.

BASIS TABLE

LOCATION	CORN BASIS		SOYBEAN BASIS		WHEAT BASIS	
	CASH(Dec03)	NEW(Dec03)	CASH(Nov03)	NEW(Nov03)	CASH(Dec03)	NEW(Jul04)
Western MD	+50	N/A	-91	N/A	-55	N/A
Central MD	+22	+22	-55	-55	-55	-20
Southern MD	-5	-5	-33	-33	-43	-30
Upper E. S	+7	+8	-43	-38	-30	-30
Lower E. S	+22	+22	-30	-30	-45	-28

WEEKLY CROP WEATHER SUMMARY

MARYLAND AGRICULTURAL STATISTICS

Although rain fell on Tuesday last week, conditions dried enough to have an average of 5.7 days suitable for field work for the week ending October 20, 2003. Many Maryland farmers took advantage of the dry weather to harvest soybeans. Currently, soybeans are 14 percent harvested, 10 percent behind last year and 15 percent behind the five year average. Soybean condition is rated 16 percent excellent, 36 percent good, 23 percent fair, 18 percent poor, and 7 percent very poor. Corn harvested for grain progressed 18 percent from the previous week. Corn harvest continues to be behind schedule, running 13 percent behind last year and 5 percent behind the average. Despite suitable weather, small grain planting remains behind schedule. Farmers were able to complete planting half of the barley crop by last week, 34 percent behind last year and 24 percent behind the five-year average. Wheat is now 32 percent planted, 8 percent behind last year and 3 percent behind the average. Small grains are in mostly fair to good condition.

CASH GRAINS - REGIONAL - (\$/bu) DEALERS AVERAGE CASH QUOTES								
Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
Date	10/15	10/22	10/15	10/22	10/15	10/22	10/15	10/22
Western Md	2.73	2.70	6.47	6.59	2.95	3.00	2.20	2.20
Central MD	2.36	2.42	6.76	6.95	3.02	3.00	2.10	2.10
Southern MD	2.07	2.15	6.93	7.17	----	3.08	1.50	1.45
Upper E. Shore	2.22	2.27	6.93	7.07	----	3.08	1.60	3.08
Lower E. Shore	2.32	2.42	6.96	7.20	2.85	3.10	1.93	1.51
Soybean Meal Lower Eastern Shore Dealer's Average Cash Quotes (\$/ton)								
Date	10/15		10/22		Date		10/15	
48% Soybean Meal	250.00		265.00		44% Soybean Meal		238.00	
FORWARD CONTRACT PRICE-REGIONAL (\$/bu) For Harvest delivery Dealer's Avg Quote								
Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
Date	10/15	10/22	10/15	10/22	10/15	10/22	10/15	10/22
Western Md	----	----	----	----	----	----	----	----
Central MD	2.26	2.42	6.82	6.95	3.06	3.18	----	----
Southern MD	----	2.15	----	7.17	----	3.08	1.45	1.45
Upper E Shore	----	2.28	----	7.12	----	3.08	1.55	1.60
Lower E Shore	2.49	2.42	----	7.20	----	3.10	1.55	1.51
GRAIN FUTURES - Chicago Board of Trade (cents/bu) -Oct 23, 2003								
Corn		Soybeans		Wheat		Soybean Meal ¹		
Dec	220.25	Nov	749.75	Dec	354.50	Dec	232.50	
Mr04	226.25	Ja04	752.00	Mr04	364.50	Ja04	228.70	
May	230.25	Mar	732.25	May	360.50	Mar	222.00	
Jul	233.25	May	682.50	Jul	337.50	May	206.50	
Sept	234.00	Jul	666.50	Sept	341.00	Jul	199.60	
Dec	237.75	Aug	644.50	Dec	349.00	Aug	191.50	

¹ \$/ton

HAY AND STRAW (\$/cwt)								
New Holland, PA - \$/ton - Oct 20, 2003 - 90 Loads								
Alfalfa 80.00-185.00		Mixed 70.00-280.00		Timothy 75.00-265.00		Orchardgrass 87.00-175.00 Straw 75.00-205.00		
Westminster, MD - \$/bale - Oct 21, 2003 - 132 Lots								
Alfalfa 1.20-5.90		Alfalfa Mix 1.30-5.00		Timothy 2.00-4.60		Timoty Mix 1.20-2.50 Grass 1.25-2.20 Straw 1.90-2.25		
POULTRY (Grade A) - Week Ending Oct 25, 2003 - Negotiated Price, (\$/cwt)								
		Current Week		Week Ago		Month Ago Year Ago		
NY Wtd Avg. (Fryers)		59.81		59.87		61.13 45.45		
12-City Composite		63.82		63.07		64.27 52.70		
LAMBS - Westminster, MD - \$/cwt - Oct 20, 2003								
Ch	90-120 lbs 50- 90 lbs	97.00-117.00 110.00-125.00	Medium-Good-	95.00-108.00	Sheep	35.00-54.00		
TERMINAL MARKETS HOGS - Oct 23, 2003				DIRECT MARKET HOGS - Westminster, MD-Oct 23, 2003				
Base Price Range (\$/cwt) a.m.	Carcass Basis Base 185 lb Hog	Sows (1-3) 300-449 lbs	#1 & 2 (2) Lots		230-275 lbs 300-325 lbs	38.00-40.25 32.00-33.00		
Eastern Cornbelt	42.00-50.55	22.00-35.00	Millsboro, DE Market Hogs - (\$/cwt) -Oct 21, 2003 \$34.00-\$35.00					
Iowa, Minn	40.00-50.00	24.49-34.81						
FEEDER PIGS - (\$/cwt) -								
Gumboro, DE - Oct 21, 2003				New Holland, PA -				
Head: 186	Trend:	50-59 lbs 60.00-75.00	Head: 357	Trend:	Effective Immediately			
Under 30 lbs	78.00-110.00	60-69 lbs 40.00-60.00	All pigs are mandated to go to slaughter. No feeders will be reported until further notice .					
30-39 lbs	40.00- 97.00	70-79 lbs 43.00-57.00						
40-49 lbs	50.00- 79.00	80-89 lbs 50.00-60.00						
CATTLE-LIVE FUTURES-Chicago Mercantile Exchange (\$/cwt) - Oct 22, 2003				HOGS-LEAN FUTURES-Chicago Mercantile Exchange (\$/cwt) - Oct 23, 2003				
Oct	96.15	Apr	78.85	Dec	53.67	May 60.40		
Dec	86.97			Fb04	56.40	Jun 63.65		
Fb04	82.80			Apr	58.00	Jul 60.00		
STOCKER-FEEDER CATTLE - (\$/cwt)								
Winchester, VA - Oct 21, 2003			Westminster, MD - Oct 21, 2003					
Steers	200- 300 lbs	100.00-113.00	Steers	200- 400 lbs	88.00-112.00			
	300- 400 lbs	101.00-113.00		400- 600 lbs	85.00- 94.00			
	400- 500 lbs	92.00-105.00		600- 800 lbs	75.00- 84.00			
	500- 600 lbs	93.00-100.00		800-1000 lbs	68.00- 84.00			
	600- 700 lbs	86.00-100.00		Heifers	200- 500 lbs	72.00- 90.00		
	700- 800 lbs	84.00- 96.75			500- 600 lbs	75.00- 85.00		
	800- 900 lbs	85.00- 94.00			600- 800 lbs	65.00- 78.00		
	900-1100 lbs	84.00- 84.50			800-1000 lbs	70.00- 78.00		
	Heifers	300- 400 lbs		89.00-102.50	Bulls returning to farm			
		400- 500 lbs		80.00- 94.75		Hols Bulls #1	94- 120 lbs	145.00-172.00
500- 600 lbs		79.00- 95.00		82- 92 lbs		75.00- 95.00		
600- 700 lbs		82.00- 91.00	#2	94- 120 lbs		100.00-140.00		
700- 800 lbs		81.00- 92.00	Hols Heifers #1	90- 115 lbs		470.00-500.00		
800- 900 lbs		80.75- 84.00	#2	70- 95 lbs		215.00-330.00		
Lancaster, New Holland & Vintage - Week Ending - Oct 25, 2003								
Bull, Holstein	90-120 lbs	100.00-138.00		Plainer	90-120 lbs	87.00-125.00		
Heifers, Hols	90-120 lbs	470.00-520.00		Plainer	90-120 lbs	400.00-470.00		
SLAUGHTER CATTLE (\$/cwt)								
Westminster, MD - Oct 23, 2003								
Fed Steers			Fed Heifers					
H-Ch-Pr	1200-1450 lbs	103.00-106.50	H-Ch-Pr	1150-1400 lbs	97.00-106.00			
H-Ch 2-3		88.00- 95.00	Ch 2-3		85.00- 95.00			
H-Ch 2-3	1000-1175 lbs	84.00- 91.00	L-Ch	1000-1300 lbs	75.00- 87.00			
H-Ch-Hols	1200-1500 lbs	80.00- 84.00						
Ch 2-3		75.00- 80.00	Calves					
Cows			Ch	200-300 lbs	85.00-100.00			
Breakers		42.00- 47.75	Good	80-110 lbs	65.00- 80.00			
Boners		40.00- 45.00		60- 80 lbs	45.00- 70.00			
Lean		35.00- 44.00						
Thin & Light		35.00-DOWN						
Lancaster, New Holland & Vintage - Week Ending - Oct 25, 2003								
Steers, Choice, 2-3	1110-1495 lbs	101.00-104.00	Down \$10-\$15					
Heifers, Choice	1045-1225 lbs	95.50- 98.50	Down \$10-\$15					
Cows, Breakers 75-80 pct lean		46.50- 53.00	Down \$5					
Bulls, YG 1	1100-1895 lbs	50.25- 58.00	Down \$1-\$2					
Vealers, Choice	60- 130 lbs	30.00- 80.00	Mostly Steady					

For more information about this report, call 410-841-5740 or write:

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